

APPROVED MINUTES

Housing and Redevelopment Authority in and for the City of Bloomington

1800 West Old Shakopee Road
Bloomington, Minnesota 55431

Tuesday, February 23, 2016
5:30 PM
Council Chambers

- 1 Call to Order** Chairman Thorson called the meeting to order at 5:31 p.m.

Present: Grout, Hartman, Zimmerman, Neary
Guest: Janet Lindbo, Homes Within Reach Executive Director
Absent: Coulter
- 2 Approval of Agenda** M/Lewis, S/Carlson to approve the agenda as published. Motion carried, 4-0.
- 3 Approval of Minutes**
- 3.1 Approval of Minutes - February 9, 2016** M/Fossum, S/Lewis to approve the minutes of the February 9, 2016 HRA meeting. Motion carried, 3-0 with Carlson abstaining due to absence from that meeting.
- 4 Unfinished or Organizational Business** None.
- 5 New Business**
- 5.1 Presentation by West Hennepin Affordable Housing Land Trust** Hartman introduced Janet Lindbo from West Hennepin Affordable Housing Land Trust (WHAHLT) to present information about bringing their Homes Within Reach Program to Bloomington. He stated this could be an opportunity to provide affordable homeownership to first-time homebuyers and underserved communities.

Lindbo gave a brief overview of how community land trusts work. The program allows families to buy a house at a reduced cost while leasing the land from WHAHLT for a small fee. She pointed out that families who live and work in suburban communities may struggle to purchase a home and this provides options for low- and moderate-income workforce families to become homeowners.

Following Lindbo's presentation, there was discussion about the possibility

of the HRA working with WHAHLT and potential funding sources that could be used. Staff indicated they would provide a response to the program proposal in the near future.

**5.2 Approval of 2016
Neighborhood Home
Improvement Loan
Program Administrative
Plan**

Hartman explained that the City Council has provided funding to the HRA to expand operation of the Neighborhood Home Improvement Loan Program and make it available citywide. Additional changes to the program include increasing income limits from 80 to 100 percent of the area median income as well as lowering the interest rate from four percent to two percent. Hartman indicated that if the Board approves these changes, staff will begin marketing the program by doing a city-wide postcard mailing in March.

M/Carlson, S/Lewis to approve the 2016 Neighborhood Home Improvement Loan Program Administrative Plan. Motion carried, 4-0.

**5.3 Approval of the Curb
Appeal Loan Program
Administrative Plan**

Hartman stated this is a new program identified as the Curb Appeal Loan Program. City funding of \$150,000 has been delegated to initiate this pilot program in the target area around Smith Park in east Bloomington. The area is made up of approximately 600 homes and the program would provide zero percent interest loans of up to \$10,000 to homeowners in that area. Improvements must be visible from the street and the goal is to add value to homes as well as the neighborhood.

If approved, a targeted mailing would be done in March. Environmental Health staff will also be made aware of the program for possible referrals.

M/Lewis, S/Carlson to approve the 2016 Curb Appeal Loan Program Administrative Plan. Motion carried, 4-0

**5.4 Strategy for HRA
owned lots on 108th
Street**

Grout explained that staff has received an offer from Dominion to purchase the four HRA-owned lots on 108th Street, southwest of the France and Old Shakopee Road intersection. They are proposing to include those lots with the adjacent RBCU and the apartment and garage buildings for development of an affordable senior apartment building. There is also interest from two other developers for market-rate apartments on that site. The four lots are within the TIF district and zoned R-1 but guided for medium density (townhomes).

At this time, Dominion's potential acquisition of the properties along Old Shakopee Road is questionable; however, they would like to move forward with a purchase agreement for the HRA lots.

Grout presented three scenarios for discussion, including accepting Dominion's offer and waiting up to two years for them to acquire the adjoining properties; keep the lots available with a deadline until a developer is able to gain site control, or assemble a Request for Proposals for a medium density townhome development.

Following Board discussion, it was decided to continue working with developers interested in a larger redevelopment but with the requirement that they must provide evidence of site control of the RBCU and 19-unit apartment properties before the HRA will consider a purchase agreement for the four lots. If an acceptable offer is not received for a larger redevelopment project, the HRA Board will consider selling the four lots for a medium density townhome development.

**5.5 Approval of Section 8
SEMAP Certification**

Hartman stated this is an annual item in which the HRA certifies administrative compliance of the Section 8 program by staff. The indicators that were followed were listed in the agenda. The HRA again scored over 100 which indicated high performance and no significant deficiencies in staff's administration of the program.

M/Carlson, S/Lewis to approve the Section 8 Management Assessment Program certification and authorize the Administrator and Chairman to execute the document. Motion carried, 4-0.

5.6 Action Items

Other

The Bloomington Home Improvement Fair was held on Saturday, February 20 and was a successful event with more than 1,500 attendees. Hartman referred to a handout showing details for the prescreening of "A Good Place to Live", a fair housing video which the HRA partially financed. It will also be broadcast on Twin Cities PBS Channel 2 beginning in April.

Meetings/Agendas

The annual meeting of the HRA will be held on March 8. Grout will schedule a tour of the Home2 Suites in the Penn American district later in March.

6 Adjournment

M/Carlson, S/Fossum to adjourn the meeting. Motion carried, 4-0. The meeting adjourned at 7:14 p.m.